

# DESOTO COUNTY BOARD OF SUPERVISORS

## B. BOARD MEETING MINUTES

### GERALD CLIFTON, PRESIDENT PRESIDING

**August 4, 2003**

#### A. CALL TO ORDER

The August 4, 2003, meeting of the DeSoto County Board of Supervisors was called to order by Supervisor Gerald Clifton, Board President.

Chief Deputy Charlie Brown of the DeSoto County Sheriff's Department was present and did open the DeSoto County Board of Supervisors meeting in a regular session to hear any and all business to come before the Board. The following were present:

Supervisor Jessie Medlin-----District 1  
Supervisor Eugene C. Thach-----District 2  
Supervisor Gerald Clifton-----District 3  
Supervisor John Caldwell-----District 4  
Supervisor Tommy Lewis-----District 5  
W. E. Sluggo Davis-----Chancery Clerk  
Sheriff James A. Riley -----Sheriff  
David Armstrong-----County Administrator  
Bobby Chamberlin-----Board Attorney

#### B. INVOCATION

County Administrator David Armstrong presented the invocation.

#### C. PLEDGE OF ALLEGIANCE

#### D. PUBLIC HEARING – 2003 TAX ROLLS

Supervisor Tommy Lewis made a motion and Supervisor John Caldwell seconded the motion to open the Public Hearing on the subject of Tax Assessment as provided by this Board of Supervisors on July 7, 2003 and as advertised in the DeSoto Times Today, the DeSoto Appeal and the DeSoto County Tribune. The motion passed by a unanimous vote.

Supervisor Gerald Clifton called for anyone wishing to discuss the Tax Assessment as presented by the Tax Assessor on July 7, 2003 to come forward. Bill Bryant, Steven Gullett and Peter Zee of the DeSoto County Tax Assessor's Office were present to substantiate the assessment stated for the 2003 Tax Rolls.

##### **a. Re-appraisal Appeal - Park Companies (Bradford Park, Laurel Park, Regency Park and Terrace Park Apartments)**

W.E. "Sluggo" Davis Chancery Clerk, said the Appeal by Park Companies who are representing Bradford Park, Laurel Park, Regency Park and Terrace Park Apartments is in the process of being resolved. Mr. Davis said he had confirmed the protestors that the hearing would likely be postponed until August 6. Mr. Davis said the Companies will be present on August 6 if their issues are not resolved to their satisfaction.

##### **b. Bradford MS II LLC, Michael A. Lightman, the Links at North Creek LLC, Foxhaven Joint Venture, DeSoto Development Corporation, South County LTD, Rasco LTD, Goodman Lodging LLD, and MRB-Hernando.**

Pat Musgrove of Stokes, Bartholomew, Evans & Petree said he was before the Board today representing the various clients listed above. Mr. Musgrove said he is in the process

of resolving these assessments with the Tax Assessor's office and he welcomes the opportunity to postpone the hearings until Wednesday to allow him time to confer with his clients on the settlement details.

**c. Church Lake Apartments**

Chancery Clerk "Sluggo" Davis said he has been approached by Easley, McCaleb and Associates representing the assessment for Church Lake Apartments on behalf of the Michelson Corporation regarding their desire to appeal their Tax Assessments.

**d. Pine Ridge Apartments, Oak Ridge Apartments, Brinker, MS, Chili's**

Mr. Davis has been approached by Chester B. Howard of Marvin F. Poer and Company regarding his desire to challenge the assessments for Pine Ridge Apartments, Oak Ridge Apartments, Brinker, MS, Chili's. Mr. Davis said all of these companies are in the process of negotiating their tax assessments for the 2003 Tax Roll. Mr. Davis said if the Tax Assessments are not settled to the clients' satisfaction they request a hearing before the Board of Supervisors on Wednesday, August 6.

**\*\*See Exhibit D.d\*\***

Supervisor John Caldwell made the motion to accept the Appeals into the minutes and to take them under advisement until Wednesday, August 6. Supervisor Eugene Thach seconded the motion. The motion passed by a unanimous vote.

**e. Delta Bluff Apartments**

In addition Mr. Davis said he has been approached by Rob Vinson of Atlanta, GA regarding his desire to appeal the Tax Assessment for Delta Bluff Apartments.

Mr. Davis explained that the protestors are challenging the Tax Assessment because the Delta Bluff Apartments had a fire in February which destroyed many of the apartments. Mr. Davis said he explained to the protestors that the Tax Assessment is based on the condition of the property on January 1, 2003. Since the apartments did not burn until February there were no grounds for consideration by Board of Supervisors. Mr. Davis said he explained to them there is nothing that can be done about the assessment based on their protest that the building burned in February.

Supervisor John Caldwell made the motion and Supervisor Eugene Thach seconded the motion to deny the appeal by Delta Bluff Apartments. The motion passed by a unanimous vote.

Supervisor Eugene Thach made the motion and Supervisor John Caldwell seconded the motion to recess the public hearing on the 2003 Tax Roll until August 6, 2003. The motion passed by a unanimous vote.

Later in the meeting Pat Musgrove returned to address the Board of Supervisors to explain that they will not be back on Wednesday as their tax protests have been adequately addressed by the Tax Assessor's Office.

**E. APPROVAL OF JULY BOARD MINUTES**

The official minutes of the Board of Supervisors were read for the month of July 2003, pursuant to Section 19-3-27 of the Mississippi Code of 1972, Annotated. Supervisor Tommy Lewis made the motion and Supervisor John Caldwell seconded the motion to approve the minutes of the Board of Supervisors for the month of July 2003, with minor changes. The motion passed by a unanimous vote.

**F. OLD BUSINESS**

**G. NEW BUSINESS**

## **1. Confirmation of Declaration of Emergency – July 22, 2003 at 9 am**

County Administrator David Armstrong reminded the Board of Supervisors that on July 22, 2003 a storm hit DeSoto County causing tremendous damage and therefore, an emergency declaration was declared by the Board of Supervisors for seven days. The approval for the declaration was given verbally to the County Administrator by each of the Board members. Supervisor John Caldwell made the motion and Supervisor Tommy Lewis seconded the motion to confirm the previous approval of the Declaration of Emergency by the Board of Supervisors for the storm event on July 22, 2003. The motion passed by a unanimous vote.

Mr. Armstrong presented a declaration by the Governor of the State of Mississippi declaring a State of Emergency for Northern Mississippi including Tunica, DeSoto, Marshall, Benton, Tippah and Alcorn Counties.

## **2. Update on Storms and Clean Up – T. H. Walker**

Mr. Walker said there is severe damage to be cleaned up in the County. Mr. Walker explained the bulk of the damage that has been turned in to the County is from the City of Southaven, although damage was extensive throughout the County. Supervisor Thach asked why the County was not included in the Federal Disaster Area. Mr. Walker explained that there was not enough damage quantified in the County to justify an emergency by Federal standards.

Civil Defense Director T.H. Walker said he had spoken with Robert Latham of MEMA regarding the July 22 storm event. Mr. Walker explained that there are two requirements for Federal Assistance. One is a statewide quantity of 3.2 million dollars in damage. Mr. Walker said to date the County has quantified \$1,918,504.00. Mr. Walker said most of that is debris removal and disposal. Mr. Walker explained that each included county must meet a threshold for damage reporting. DeSoto County's threshold is \$340,000.00. Although, the County meets their threshold the total state falls short of the balance of the \$3.2 million dollars. Supervisor Gerald Clifton asked if the state's effort in the cleanup has been added to the State's total. Mr. Walker said he was not sure but would find out. Mr. Walker explained that DeSoto County was the only County reporting damage during the storm.

Supervisor Caldwell said the County should be working to get that legislation changed because extensive damage did occur in the County as it did in the City of Memphis, which was declared as an emergency. Mr. Walker explained that the damage must be quantified by state and each state must stand alone in their damage claims. Mr. Latham explained that DeSoto County cannot cross state lines to report their damage. Each state has to stand alone. Therefore, the County must stand for the cleanup alone. County Administrator David Armstrong asked who is responsible for the quantifying numbers. Mr. Walker said each of the counties public works departments supply the numbers.

At this time DeSoto County was the only county that turned in any storm damage and that fell short of the required amount that would qualify the County for assistance. The Board of Supervisors asked if the City of Olive Branch had finished their storm cleanup. Supervisor Thach said the City of Olive Branch has not completed their first round for the cleanup and said it was his understanding that they are using regular employees for the cleanup because there was no Federal funding to help them with overtime or for contracted assistance. Mr. Thach said the City of Southaven hired private contractors to help with their cleanup. The Board of Supervisors suggested waiting to quantify the storm damage until all the cities had recorded their damage.

Mr. Walker explained that damage for residents with insurance could not be counted toward the total County damage. Supervisor Caldwell asked Mr. Walker to check with other counties regarding the amount of damage they sustained during the storm.

County Administrator David Armstrong read a letter of appreciation from Pat Nelson from Entergy who thanked the County for the work performed by County employees and Sheriff's officers following the July 22 storm event. The Board of Supervisors agreed

that the County employee’s assistance had been extremely good and expressed their appreciation for the employee dedication during this emergency time. The Board of Supervisors directed the County Administrator to forward the letter to the Road Manager and Sheriff to pass on to their County employees and to express the Board’s appreciation for these employee’s dedicated service during the storm event.

Mr. Walker notified the Board of Supervisors that Civil Defense volunteers had helped numerous people in the County who were unable to address their storm damage for one reason or another. Mr. Walker praised the efforts of the Civil Defense volunteers in this storm event. The Board of Supervisors agreed.

Supervisor Eugene Thach made the motion and Supervisor John Caldwell seconded the motion to approve extending the Emergency Declaration from the July 22 storm because cleanup from the storm is ongoing and likely will be for quiet sometime. The motion passed by a vote as follows:

Supervisor Jessie Medlin	Yes
Supervisor Eugene Thach	Yes
Supervisor Gerald Clifton	Yes
Supervisor John Caldwell	Yes
Supervisor Tommy Lewis	No

Supervisor John Caldwell made the motion and Supervisor Jessie Medlin seconded the motion to authorize the County Administrator to send a letter to the Congressional Delegation to address the issue of the formula and conditions for Emergency Declarations that is applied to states to qualify for Federal funding. The motion passed by a unanimous vote.

3. **Chancery Clerk - Final Tax Roll**

Supervisor John Caldwell made the motion and Supervisor Tommy Lewis seconded the motion to recess the Public Hearing for the approval of the Tax Roll until Wednesday, August 06, 2003. The motion passed by a unanimous vote.

4. **Approval of Increases and Reductions in Tax Assessments**

At the recommendation of the Tax Assessor Supervisor Eugene Thach made the motion and Supervisor Jessie Medlin seconded the motion to approve the Reductions in Assessments for the Personal Assessment Roll for the Year 2002 as described on Exhibit G.4 for the following Assessments:

Tax Assessor Increase and Reduction in Assessments			
PAGE	LINE	OWNER	PARCEL NUMBER
237	1	Jelynn’s	337-000
123	4	Check Exchange of Mississippi	2285-000
59	8	Roy J Medders & Sons	1130-000
215	5	DeLage Landen Services	855-002
134	2	Eagle Signs & Lighting	2292-000
55	9	North American Electric Inc	150-000
133	10	E.R.S.	1327-000
230	9	Hallmark Flowers	2604-001
15	2	Hendrix Oil Inc	640-000
47	6	HLC Financial	1415-000
17	10	Lyon Financial Services	272-001
198	5	Banc of America Leasing	2005-001
2	10	Aztec	1492-005

AND, to approve the Reduction in Assessment for Real Property on the Assessment Roll for Year 2002 as described in Exhibit G.4 for the following parcels:

PAGE	LINE	OWNER	PARCEL NUMBER
2754	2	Jackson, Sandra H	1068-3488.4-00219.00
3310	13	City of Southaven	1078-3406.0-00002.00
2815	6	Sylvester Properties LP	1069-3000.0-00045.00

2279	4	Eubanks & Bailey Investment	1064-1700.0-00001.00
1151	4	Collum, Buddy H ETUX	3069-3200.0-00014.00
2852	5	Gadd, Marcus B	1069-3107.0-00055.00
2649	2	Camp Creek Center LLC	1068-2821.0-00003.00
1092	11	Ingram, Nadine	3064-1800.0-00001.01
1151	5	Broadway T.J. Jr	3071-0100.0-00001.00
3559	2	R&W Developers	1084-1700.0-00001.06
3325	4	Moore, Austin Jr	1079-2903.0-00201.00
4099	1	Kellon, James M ETUX	2074-1800.0-00002.09
4214	11	Church Road Ventures	2081-1204.0-00004.00
1764	7	Stephens Timothy E Etux	3081-1206.0-00057.00
2822	3	Houston Investment Inc	1069-3005.0-00033.00
1493	1	Dabbs, Tommy A Estate	3098-2800.0-00011.00
1608	6	Peck, Jerry Wayne	2087-3600.0-00005.00
921	14	Peck, Jerry Wayne	2087-3600.0-00015.00
3435	1	Marable, S. Gray Etux	1079-3004.0-02035.00
1009	8	Rojeski, Stanley H	2099-3203.0-00117.00
4008	3	Lifestyle Homes LLC	2072-0904.0-00262.00
877	14	Sykes, Jimmy	2084-1900.0-00020.00
2221	12	Gilles, Alvin E	1089-2900.0-00001.03
3091	11	Marshall Paul S ETUX	2062-0315.0-00097.00
677	4	Miller, Eddie L. ETUX	2078-2700.0-00013.00
928	8	Gill, Joe B	2088-3400.0-00001.00

The motion passed by a unanimous vote.

## 5. Approval of CDBG Budget Modification Brentwood

Tracy Huffman of Waggoner Engineering addressed the Board of Supervisors regarding the CDBG Grant for Brentwood Originals. Mr. Huffman presented a Budget Amendment for the Brentwood Originals elevated storage tank. Mr. Huffman explained that the Budget Amendment will allow \$65,000.00 back into the project from what was originally planned on from the CDBG funds. Mr. Huffman explained that this increase is comprised of an additional \$35,000.00 for administrative fees from the CDBG funds. Mr. Huffman says the County will get a check back from CDBG in the amount of \$66,519.00

County Administrator David Armstrong commended Chris Gouras and Tracy Huffman for their efforts to secure this additional funding for the project.

Supervisor Tommy Lewis made the motion and Supervisor John Caldwell seconded the motion to approve accepting the CDBG funds for the Brentwood Originals project and authorize the Board President to sign the documents in connection with the modification.

The motion passed by a unanimous vote.

## 6. Adopting School Board Budget FY04

In accordance with Section 19-11-11 and Section 37-57-105 of the Mississippi Code, County Administrator David Armstrong presented the approved budget for the Board of Education to the Board of Supervisors for acceptance into the Board minutes and the Order of the DeSoto County Board of Education presenting the Budget to the Board of Supervisors. Mr. Armstrong explained that the School Board Budget for the Board of Education is \$146,080,027.00 compared to the total County Budget of \$79,000,292.00 of which \$32,736.00 is General Fund.

Mr. Armstrong explained that the School Board has not requested any additional millage for the coming year. Mr. Armstrong further explained the School Board is capped at a 7% increase where the Counties are capped at a 10% increase in assessed valuation.

Supervisor Caldwell confirmed that the Board of Education does not ask for millage but for money. Mr. Armstrong said that has been addressed in the past and the School Board has explained to him that traditionally they have asked for millage rather than a dollar amount in the budget. The Board of Supervisors asked if the Board of Education does not decrease their budget, will their millage request over extend their statutory authority for the 7% cap. Mr. Armstrong said he would be happy to invite Wendell

Davis to discuss the issue with the Board of Supervisors on Wednesday.

Supervisor Tommy Lewis made the motion and Supervisor John Caldwell seconded the motion to carry the adoption of the School Board Budget into the minutes for FY04 over until Wednesday, August 6, 2003. The motion passed by a unanimous vote.

#### **7. Approval of Resolution and Request for State Development Bank Advance**

County Administrator David Armstrong explained that the County has received the full \$10,000,000.00 from the State Development Bank for the first authorized draw. Mr. Armstrong reminded the Board of Supervisors that they have approved previously an additional draw of \$10,000,000.00 from the State Development Bank Pool.

Mr. Armstrong said no doubt the County will need the remaining \$7.5 million if the Board moves forward with all the planned projects.

Supervisor Thach confirmed that there would not be a tax increase due to this advance. Mr. Armstrong said he is not anticipating a tax increase at this time.

Supervisor John Caldwell asked why we are drawing \$2.5 million now. Mr. Armstrong explained that the \$2.5 million will cover the cost of projects that have already been billed.

The Board of Supervisors of DeSoto County, Mississippi (the "County") acting for and on behalf of the County, took up for consideration the matter of requesting and authorizing a first advance under the loan between the Mississippi Development Bank and the County dated June 7, 2002. After a discussion of the subject, Supervisor Jessie Medlin offered and moved for the adoption of the following resolution:

#### **RESOLUTION OF THE BOARD OF SUPERVISORS OF DESOTO COUNTY, MISSISSIPPI (THE "COUNTY") AUTHORIZING A FIRST ADVANCE UNDER THAT CERTAIN LOAN AGREEMENT, DATED AS OF JUNE 7, 2002, BY AND BETWEEN THE MISSISSIPPI DEVELOPMENT BANK AND THE COUNTY.**

**WHEREAS**, through its Resolution dated September 3, 2002, the Board of Supervisors of the County approved a loan from the Mississippi Development Bank to the County in an amount not to exceed \$10,000,000 (the "Loan") pursuant to the terms and conditions of that certain Loan Agreement (the "Loan Agreement"), dated as of June 7, 2002, by and between the Mississippi Development Bank and the County; and

**WHEREAS**, the Board of Supervisors of the County now finds it necessary to approve the first Request for Advance under the Loan.

**WHEREAS**, pursuant to Section 3.02 of the Loan Agreement, the minimum Request for Advance shall be in the amount of \$100,000.

**WHEREAS**, through its resolution dated September 3, 2002, the Board of Supervisors of the County approved the substantial form of the Request For Advance to be used with each advance under the Loan.

#### **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF DESOTO COUNTY, MISSISSIPPI:**

**SECTION 1.** The Board of Supervisors of the County hereby authorizes and approves the first Request for Advance under the Loan in the amount of Two Million Five Hundred Thousand and No/100 Dollars (\$2,500,000.00), for the purpose of financing the renovation of a public library, the repair and rehabilitation of public roads, and wastewater improvements through a loan to the DeSoto County Regional Wastewater Authority (the "Authority") (the "Project").

**SECTION 2.** The Board of Supervisors of the County hereby authorizes and approves the first advance under the Loan in the amount of Two Million Five Hundred Thousand and No/100 Dollars (\$2,500,000.00), for the Project.

**SECTION 3.** The President of the Board of Supervisors and the Chancery Clerk of the County are hereby authorized and directed to execute the Request for Advance, in the form previously approved by the

Board, on behalf of the County with such changes, completions, insertions and modifications as shall be approved by the officers executing same.

**SECTION 4.** The disbursement by the Trustee of the first advance to the County shall be noted on Schedule I of the Promissory Note. The repayment of the principal amount of the first advance shall be payable in monthly installments which shall be set forth on Schedule II of the Promissory Note. The term for repayment of the amount advanced hereunder shall not exceed twenty (20) years.

**SECTION 5.** The Board of Supervisors hereby directs the Chancery Clerk to receive the reimbursed funds of the first advance in the amount of \$2,500,000.00 authorized herein, and to deposit and/or credit the proceeds of the General Fund of the County.

**SECTION 6.** The President of the Board of Supervisors and the Chancery Clerk of the County are hereby authorized and directed for and on behalf of the County to take any and all such action as may be required by the County to carry out and give effect to the aforesaid documents authorized pursuant to this Resolution and to execute all papers, documents, certificates and other instruments that may be required for the carrying out of the authority conferred by this Resolution in order to evidence the authority.

**SECTION 7.** The Board of Supervisors hereby approves the Schedule of Principal Installments, as set forth in Exhibit "A", for the first advance under the Loan to be attached to the Promissory Note entered into by the County on June 7, 2002.

Supervisor Gerald Clifton seconded the motion to adopt the foregoing Resolution and, the question being put to a roll call vote, the result was as follows:

Supervisor Jessie Medlin	Voted: Yes
Supervisor Eugene C. Thatch	Voted: Yes
Supervisor Gerald L. Clifton	Voted: Yes
Supervisor John Caldwell	Voted: Yes
Supervisor Tommy Lewis	Voted: Yes

The motion having received the affirmative vote of a majority of the members present, the President of the Board of Supervisors declared the motion carried and the Resolution adopted, on this the 4th of August, 2003.

**EXHIBIT A**

**SCHEDULE OF PRINCIPAL INSTALLMENTS**

**SCHEDULE II**

**SCHEDULE OF PRINCIPAL INSTALLMENTS**

Draw #1 - monthly principal payments of \$10,416.67 for first 239 months with monthly principal payment of \$10,415.87 for remaining one (1) month.

**REQUEST FOR FIRST ADVANCE**

The undersigned, the duly authorized President of the Board of Supervisors of DeSoto County, Mississippi (the "Borrower"), submits this Request for First Advance on behalf of the Borrower pursuant to Section 3.02 of that certain Loan Agreement by and between the Mississippi Development Bank (the "Issuer") and the Borrower dated as of June 7, 2002 (the "Loan Agreement") and relating to the Issuer's Capital Projects and Equipment Acquisition Program (the "Program"). The Trustee shall disburse the amount requested herein for the following purpose: to finance the renovation of a public library, the repair and rehabilitation of public roads, and wastewater improvements through a loan to the DeSoto County Regional Wastewater Authority. The amount of this Advance will be Two Million Five Hundred Thousand Dollars (\$2,500,000.00) and the term for repayment of amounts advanced hereunder shall not exceed twenty (20) years. The Project constitutes, for federal income tax purposes, the following:

Cost of other property: none.

The name, address and employer identification number of the Initial Principal User (the "Initial Principal User") of the Project is as follows:

DeSoto County, Mississippi  
365 Loshier Street, Suite 320  
Hernando, Mississippi 38632  
Employer I.D. No. 64-6000315

Attached hereto as composite **Exhibit A** are certain documents which, among other things, verify that the amount requested herein does not exceed the Cost (as defined in the Loan Agreement) paid or incurred by the Borrower for such Project prior to the disbursement of the funds requested herein and, when disbursed, the total amount disbursed to such Borrower pursuant to Section 3.02 of the Loan Agreement does not exceed the Borrower's Loan amount set forth in Section 3.01 of the Loan Agreement unless a writing has been attached hereto signed by the Administrator and the Bond Insurer stating that the Borrower is eligible for such amount.

The undersigned, on behalf of the Borrower, hereby certifies that:

1. The Project (as described herein and in Exhibit A) has been purchased, constructed or installed by the Borrower and payment therefore is due and owing or has been previously paid by Borrower and the disbursement of the funds herein requested has been approved by the Borrower at its meeting on August 4, 2003, a copy of such approval being attached hereto as Exhibit B.
2. To the extent amounts, if any, requested herein are being used to reimburse the Borrower for Equipment previously purchased, such Equipment was purchased by the Borrower no earlier than September 6, 2001, and evidence of the purchase thereof is contained in **Exhibit A** attached hereto.
3. The use of proceeds of the first advance shall be for capital projects, including the renovation of a public library, the repair and rehabilitation of public roads, and wastewater improvements through a loan to the DeSoto County Regional Wastewater Authority.
4. The Borrower is a political subdivision validly existing and in good standing under the laws of the State of Mississippi, with full power and authority to own its properties and conduct its business as presently owned and conducted, is qualified to do business in the State of Mississippi and, to the best of my knowledge, after due inquiry, is not in violation of any laws material to the transactions contemplated by the Loan Agreement, this Request for Advance, or any provisions of law material to the transactions contemplated by the Loan Agreement and this Request for Advance, and has all requisite corporate power and authority to execute and deliver this Request for Advance.
5. The Borrower has obtained all necessary permits, licenses and certification to continue the conduct of its business and to undertake the actions which will be financed from the funds to be disbursed hereunder.
6. The Loan Agreement and the Note (as defined in the Loan Agreement) are in full force and effect and continue to be valid, enforceable and legally binding obligations of the Borrower, enforceable in accordance with their respective terms, except to the extent that the enforceability thereof may be limited by laws relating to bankruptcy, insolvency or other similar laws affecting creditors' rights generally and the Borrower has received all consents, approvals and authorizations of governmental authorities or agencies required for incurring the debt represented by such documents, including amounts which will become outstanding pursuant to this Request for Advance, and/or the continued performance of such documents
7. There is no litigation or legal or governmental action, proceeding, inquiry or investigation pending or, to the best knowledge of the undersigned after due inquiry, threatened by governmental authorities to which the Borrower is a party or of which any property of the Borrower is subject which, if determined adversely to the Borrower, individually or in aggregate (i) affect the validity or enforceability of the Loan Agreement or the Note (as defined in the Loan Agreement) or (ii) otherwise materially and adversely affect the ability of the Borrower to comply with its obligations under the Loan Agreement or the Note (as defined in the Loan Agreement) .
8. The representations and warranties of the Borrower set forth in the Loan Agreement are true and correct on the date hereof; and the Borrower is in compliance with all terms, covenants and conditions of the Loan Agreement on the date hereof.



9. The Borrower does not plan to use, or permit the use of, the Project except as permitted by the Loan Agreement.

**IN WITNESS WHEREOF**, the undersigned has hereunto set his hand and affixed the corporate seal of the Borrower, duly attested this 4th day of August, 2003.

**EXHIBIT A**  
**PROJECT DESCRIPTION AND SUPPORTING INVOICES**

**PROJECT DESCRIPTION**

The renovation of a public library, the repair and rehabilitation of public roads, and wastewater improvements through a loan to the DeSoto County Regional Wastewater Authority (the "Project")

**EXHIBIT B**  
**RESOLUTION APPROVING ADVANCE**

**\*\*See Exhibit G.7\*\***

**8. Approval of Travel**

In accordance with Section 25-3-41 Mississippi Code of 1972, as amended, any official or employee of DeSoto County, Mississippi is hereby authorized to travel during the period of August 5, 2003 to September 2, 2003, as necessary, and incur travel expenses in the performance of their official duties for DeSoto County; that all such travel is hereby authorized, contingent on funds being available in the departmental budget of the individual traveling.

Supervisor Gerald Clifton made the motion and Supervisor Tommy Lewis seconded the motion to authorize DeSoto County employees or officials to travel during the period of August 5, 2003 to September 2, 2003, as necessary, and incur travel expenses in the performance of their official duties for DeSoto. The motion passed by a unanimous vote.

**\*\*See Exhibit G.8\*\***

**9. Approval of Publication of Board Proceedings**

Supervisor Gerald Clifton made the motion and Supervisor Tommy Lewis seconded the motion to approve the publication of Board Proceedings in accordance with Section 19-3-33 of the Mississippi Code, which states that the Board of Supervisors may have its proceedings published in some newspaper published in the county, and cause the same to be paid for out of the county treasury. The motion passed by a unanimous vote.

**\*\*See Exhibit G.9\*\***

**10. Approval of Bailiff Pay**

Pursuant to Section 25-7-27, Section 1, paragraph (e), which allows for Constables working as Bailiffs to be paid as provided under Section 25-3-69, Mississippi Code of 1973, Annotated, Supervisor Gerald Clifton made the motion and Supervisor Eugene Thach seconded the motion to pay Joe Holmes the amount of \$200.00 for the month of July 2003, to pay Floyd Medlin the amount of \$80.00 for the month of July 2003, and to pay Lee Hodge the amount of \$320.00 for the month of July 2003, for their services as Bailiffs for DeSoto County Justice Court. The motion passed by a unanimous vote.

**\*\*See Exhibit G.10\*\***

#### **11. Sheriff's Employee Report**

Supervisor Eugene Thach made the motion and Supervisor John Caldwell seconded the motion to acknowledge receipt of the Sheriff's Department Employee Report for the month of July 2003. The report is attached and made a part of the minutes in Exhibit F.5. The motion passed by a unanimous vote.

**\*\*See Exhibit G.11\*\***

#### **12. Circuit Clerk Allowance**

County Administrator David Armstrong presented, on behalf of the Circuit Court Clerk Dale Thompson, an Order of Allowances to the Board of Supervisors for Vacation Days Allowances for the Circuit Court Clerk for the month of June 2003 in the amount of \$2,100.00. Supervisor John Caldwell made the motion and Supervisor Eugene Thach seconded the motion to approve this payment of \$2,100.00, pursuant to and Section 25-7-13 (2)(M) of the Mississippi code of 1972, Annotated. The motion passed by a unanimous vote.

**\*\*See Exhibit G.12\*\***

#### **13. Chancery Clerk Allowance**

On this date, the Chancery Court Clerk, W. E. Davis presented an order of Allowances to the Board of Supervisors for the July 2003 term in the amount of \$930.00. Supervisor John Caldwell made the motion and Supervisor Gerald Clifton seconded the motion to approve this payment of \$930.00 pursuant to Section 25-7-9 of the Mississippi Code of 1972, Annotated. The motion passed by a unanimous vote.

**\*\*See Exhibit G.13\*\***

#### **14. Approval of Request from County Attorney Craig Treadway**

County Administrator David Armstrong said that County Prosecuting Attorney Craig Treadway has a conflict with three cases at this time and needs someone to stand in for him in Justice Court. Mr. Armstrong explained that Mr. Treadway and Jim Franks who is Youth Court Prosecuting Attorney have an agreement whereby, they fill in for each other in such cases, however, Board approval is needed for the substitution. Mr. Armstrong recommended that a Board Order be granted authorizing this substitution on an ongoing basis when it is necessary for Mr. Franks to stand in for Mr. Treadway.

Board Attorney Bobby Chamberlain explained to the Board of Supervisors that the County Attorney does not need approval to stand in Youth Court from the Board as it is his statutory authority to do so. However, the Board would need to approve the substitution of Mr. Franks when he stands in for Mr. Treadway. Board Attorney Chamberlain explained that the substitution could be done by Blanket Board Order as long as there is no additional charges for Mr. Franks service. At the recommendation of the Board Attorney and County Administrator, Supervisor Tommy Lewis made the motion and Supervisor Eugene Thach seconded the motion to authorize Jim Franks to stand in for County Attorney Craig Treadway in the cases styled. S2002-0118, State vs. Michael Morgan; CO2003-0059 Boltinghouse; and, CO2003-411 Lyon. And, in addition to approve Mr. Franks to stand in for Mr. Treadway whenever necessary provided there are no additional charges for Mr. Franks services. The motion passed by a unanimous vote.

**\*\*See Exhibit G.14\*\***

#### **15. Comptroller –Tom Arnold**

##### **a. Re-Issuance of Juror Check**

At the recommendation of the Comptroller Tom Arnold, Supervisor John Caldwell made the motion and Supervisor Gerald Clifton seconded the motion to re-issue a juror check in the amount of \$63.20 to George W. Clark to replace the previous check that was never cashed and that was authorized as a cancelled warrant by the Board of Supervisors on May 20, 2002. The motion passed by a unanimous vote.

**\*\*See Exhibit G.15.a\*\***

**b. Late Bills – DCRUA**

At the recommendation of the Comptroller Tom Arnold, Supervisor Jessie Medlin made the motion and Supervisor Gerald Clifton seconded the motion to approve late bills for DCRUA as follows: Entergy, \$20.94; Waggoner Engineering, \$5,840.97; EAI/WEI, LLC, \$113,772.40; Chandler Ehrlich, \$302.50; CLM Insurance Group, Inc., \$50.00; Mississippi Valley Title Insurance Company, \$554.00; Rip Walker Appraisals, \$4,000.00; Mississippi Valley Title Insurance, \$651.00; Chamberlin Nowak, P.C. \$3,452.39. The motion passed by a unanimous vote.

**\*\*See Exhibit G.15.b\*\***

**c. Approval to Ratify Bond Payments**

Verified loan repayment documents for DeSoto County Account #71-61-5881-3T 5 \$10,000,000, Mississippi Development Bank Promissory Note dated October 9, 2000, were presented by copy to each Supervisor. Payment was made to Hancock Bank against the following accounts as follows:

<u>Account #</u>	<u>Description</u>	<u>Payment Amount</u>
001-801-800	Principal	\$41,667.00
001-801-802	Interest	<u>\$14,234.23</u>
		\$55,901.23

Verified loan repayment documents for the \$18,000,000 MS Development Bank Special Obligation Bonds, Series 2000 (DeSoto County, MS General Obligation Public Improvement Bond Project; Issue #0350, were presented by copy to each Supervisor.

Payment for variable rate interest to be made for thirty days to Trustmark Bank against the following account:

<u>Account #</u>	<u>Description</u>	<u>Payment Amount</u>
215-800-802	Interest	\$14,247.13

Supervisor EugeneThach Lewis made the motion and Supervisor Jessie Medlin seconded the motion to ratify the bond payments as described above. The motion passed by a unanimous vote.

**\*\*See Exhibit G.15.c\*\***

**d. Claims Docket**

Comptroller Tom Arnold and Stephanie Hanks, Accounting Clerk presented the Claims Docket showing claims to be paid for various departments as of August 4, 2003 in the amount of \$2,788,950.88. Supervisor John Caldwell made the motion and Supervisor Tommy Lewis seconded the motion to approve the Claims Docket as presented and to authorize the Clerk to write the checks. The motion passed by vote as follows:

Supervisor Jessie Medlin	No
Supervisor Eugene Thach	Yes
Supervisor Gerald Clifton	Yes

Supervisor John Caldwell	Yes
Supervisor Tommy Lewis	Yes

**\*\*See Exhibit G.15.d\*\***

Supervisor John Caldwell requested a report of funds spent from the Road and Bridge Fund.

**16. Central Maintenance**

- a. Road Report and Work Schedule**
- b. Road Bond Report**

County Administrator David Armstrong notified the Board of Supervisors that the Road Manager is ill today but has sent the Road Reporting Work Schedule and Road Bond Report for the Board to review. After reviewing the report Supervisor Jessie Medlin made the motion and Supervisor John Caldwell seconded the motion to approve the Road Report and Work Schedule and the Road Bond Report including the reduction of Honey Ridge Subdivision from \$136,000.00 final construction bond to \$42,000.00 maintenance bond; the bond on Forest Hill PUD Phase II reducing the \$38,000.00 final construction bond to an \$11,000.00 maintenance bond; and reducing the bond on the Brentway Estates from \$12,000.00 final construction bond to \$1,500.00 maintenance bond. The motion passed by a vote as follows:

Supervisor Jessie Medlin	Yes
Supervisor Eugene Thach	Absent
Supervisor Gerald Clifton	Yes
Supervisor John Caldwell	Yes
Supervisor Tommy Lewis	Yes

**\*\*See Exhibit G.16.a.b.\*\***

**17. Approval of Justice Court Report**

Justice Court Clerk Linda Aldridge presented the Justice Court Report to the Board of Supervisors for the month of July 2003. Supervisor Eugene Thach made the motion and Supervisor Jessie Medlin seconded the motion to approve the Justice Court Report for the month of June 2003 attached as Exhibit F.13. The motion passed by a vote as follows.

Supervisor Jessie Medlin	Yes
Supervisor Eugene Thach	Yes
Supervisor Gerald Clifton	Absent
Supervisor John Caldwell	Yes
Supervisor Tommy Lewis	Yes

**\*\*See Exhibit G.17\*\***

**18. Approval of Interlocal Agreements with Southaven and Olive Branch for the Overlay of City Streets**

At the recommendation of the Board Attorney Bobby Chamberlin, Supervisor Eugene Thach made the motion and Supervisor John Caldwell seconded the motion to authorize the Board President to sign the Interlocal Agreements between the County and the City of Southaven and the County and the City of Olive Branch for the overlay of roads within the municipalities. The motion passed by a vote as follows:

Supervisor Jessie Medlin	Absent
Supervisor Eugene Thach	Yes
Supervisor Gerald Clifton	Absent
Supervisor John Caldwell	Yes

Supervisor Tommy Lewis      Yes

**\*\*See Exhibit G.18\*\***

**19. Approval of Copy Contract for Election Commission**

County Administrator David Armstrong explained that the Copy Contract from the Circuit Clerk for a copy machine currently being used by the Election Commission has expired and the copier needs to be replaced. Mr. Armstrong presented a proposed contract for the copier for the Board’s approval and explained the contract amount is about half of what they have been paying. At the recommendation of the County Administrator and Circuit Clerk, Supervisor John Caldwell made the motion and Supervisor Eugene Thach seconded the motion to approve the copy contract and authorized the Board President to sign the contract. The motion passed by a vote as follows:

Supervisor Jessie Medlin	Absent
Supervisor Eugene Thach	Yes
Supervisor Gerald Clifton	Absent
Supervisor John Caldwell	Yes
Supervisor Tommy Lewis	Yes

**\*\*See Exhibit G.19\*\***

**H. EXECUTIVE SESSION**

The executive session portions of these minutes are recorded under the portion of the minutes called "Executive Session".

**I. OTHER ISSUES**

**1. 2003 Primary Election Protest to the Justice Department**

County Administrator David Armstrong said he had received a phone call from the Justice Department concerning a complaint filed by Josephina Zorzolli pertaining to unopposed candidates not being listed on the ballot. Mr. Armstrong said the Justice Department said there is no problem for the County associated with the omission of unopposed candidates on the Primary Ballot. Mr. Armstrong explained that Heather Moss has told him the Justice Department will be issuing a letter to that effect to the County.

Supervisor Eugene Thach made the motion and Supervisor Jessie Medlin seconded the motion to make the letter a part of the Board Minutes when it is received by the Justice Department. The motion passed by a vote as follows:

Supervisor Jessie Medlin	Yes
Supervisor Eugene Thach	Yes
Supervisor Gerald Clifton	Absent
Supervisor John Caldwell	Yes
Supervisor Tommy Lewis	Yes

**2. Appointment – Walls Sewer District**

At the recommendation of the Chancery Clerk, Supervisor Jessie Medlin made the motion and Supervisor Gerald Clifton seconded the motion to approve the Board President to sign the Bond for Lisa Abelin on the Walls Sewer District. The motion passed by a vote as follows:

Supervisor Jessie Medlin	Yes
Supervisor Eugene Thach	Absent
Supervisor Gerald Clifton	Yes
Supervisor John Caldwell	Yes
Supervisor Tommy Lewis	Yes

**3. DHS Lease**

Supervisor Eugene Thach asked the status of the DHS Building Lease Reimbursement. County Administrator David Armstrong said Kathy White, Director of DHS has confirmed that we are getting approval for reimbursement of the portion of the building DHS is occupying, which is 51% of the building. The reimbursement is based on an approximately 1.3 million dollar cost at 2% interest for 50 years.

Supervisor John Caldwell made the motion and Supervisor Eugene Thach seconded the motion, to recess the meeting until Aug 6, 2003 at 9:00 am. The motion passed by a vote as follows:

Supervisor Jessie Medlin	Yes
Supervisor Eugene Thach	Yes
Supervisor Gerald Clifton	Absent
Supervisor John Caldwell	Yes
Supervisor Tommy Lewis	Yes

THIS the 4<sup>TH</sup> day of August 2003 these minutes have been read and approved by the DeSoto County Board of Supervisors.

Gerald L. Clifton, President  
DeSoto County Board of Supervisors